

CITY & BOROUGH OF SITKA

ADMINISTRATION DEPT.

100 Lincoln Street

Sitka, AK 99835

(907) 747-1808 / FAX: (907) 747-7403

FAX TRANSMISSION

Date: April 6, 2007

To: Jeff Otteson
Director, Division of Statewide Planning
Alaska DOT & PF

Fax#: (907) 465-6984

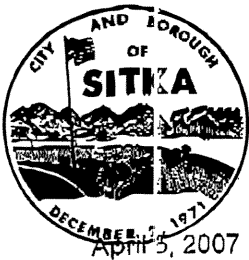
From: John C. Stein
Municipal Administrator

Phone: (907) 747-1808

Fax#: (907) 747-7403

Pages: 5, including cover

Please see attached 2006-2009 STIP Amendment Draft Comments from Sitka. A hard copy and the Sitka Legislative Priorities are to follow in the mail.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Leo von Scheben, P.E., L.S., M.B.A., Commissioner
Alaska Department of Transportation and Public Facilities
P.O. Box 112500, Juneau, Alaska 99811-2500
by FAX: 907-586-8365

RE: 2006-2009 STIP Amendment Draft Comments

Dear Commissioner von Scheben:

The City and Borough of Sitka's Legislative Delegation was very appreciative of your and your staff's time to meet with us concerning the Sitka Legislative Priorities. Many of our comments relating to the Draft STIP Amendment 13 are discussed in these priorities, which have also been presented to our legislators.

Not a single Sitka road or utility project has been funded by the State in this STIP Amendment. Every Sitka project included for action in the STIP, except the Ferry Terminal Mooring Modifications (for which we are grateful) is funded by earmarks procured by Sitka. We therefore ask that you view our requests in the context that this proposed Amendment 13 gives Sitka NO general STIP 2007-2009 road or utility project funding from the State of Alaska for Sitka projects, even though they are State-owned facilities. This is not equitable.

The following are our specific comments on each projects and others we request be added:

■ **Page 170 Sitka Marine Highway Terminal: Sitka FT Mooring Modifications** — Sitka is grateful for this project that will improve access to the mainline ferries as well as for any other Alaska Marine Highway service. However, since the project is budgeted entirely in FFY'07, which has only six months remaining, can the project be completed by end of the Federal Fiscal Year? If not, should this project show a carry-over of funding to FFY'08?

■ In Sitka's FY'08 Legislative Priorities, under CBS Request for Equitable Alaska Marine Highway Sitka Service, was mentioned "Another needed improvement is to upgrade the Angoon dock with a drop-down transfer ramp and dolphins to be able to accommodate other vessels besides just the LeConte and enable direct service to Sitka. Currently, Angoon passengers can only connect with Sitka through a week-long multiple overnight round-trip via Juneau." When will this **Angoon ferry dock improvement project** be scheduled?

■ **Page 171, Indian River Road Improvements:** Sitka is grateful to DOTPF for agreeing to manage this project for Sitka; however, the project is considerably behind the schedule in DOTPF and CBS's signed Memo of Agreement. This is a priority project that we had hoped would be completed at least by 2007, which is apparently no longer possible. This project is entirely funded by various earmarks acquired by the City and Borough of Sitka, Baranof Island Housing Authority, and Sitka Tribe of Alaska totalling much more than \$1,961,200. These earmarks include \$2M and \$.5M in TEALU, \$300,000 from Alaska Housing Finance Corporation, \$.5M Community Development Block Grant, and an application which will hopefully be approved to Denali Commission for \$.5M. Are the approved earmarks not listed in the STIP since they aren't required by FHWA? If the two \$.5M grants have each been reduced to \$425,000 to pay DOTPF's overhead charges, why are they listed in FFY'08 and FFY'09 when the project should be completed at least by FFY'08? Why is Bridge No. 0865 Indian River, currently under construction, included in this project? We look forward to working with DOTPF staff to move forward per the Memo of Agreement to complete the design, environmental, and construction of this project in a timely manner.

Commissioner von Scheben

April 5, 2007

Page 2

■ Page 172, **Sawmill Creek Road Upgrade — Stage 3:** Sitka appreciates completion of Stage 1 and 2, including the replacement of Indian River Bridge. However, not including construction of Sawmill Creek Road Stage 3 in the current FFY'07-FFY'09 STIP is of great concern. DOTPF staff have said the 1000 vehicles per day estimated to use this portion of Sawmill Creek Road does not justify constructing Stage 3, from Whale Park past Sawmill Cove Industrial Park. But DOTPF's percentage of increase model does not take into account the dramatic increase in use anticipated from this summer onward.

The newest tenant at Sawmill Cove Industrial Park, Silver Bay Seafoods, is currently constructing its seafood processing facility at the Pulp Dock Warehouse, applying for a permit to construct a dock to provide boat access to the facility, and constructing a bunkhouse for seasonal employees, as well as planning to operate from this summer on. It is planning to move 20 million pounds of fish this year and will have 175 employees in summer (seine season will be from mid-June through end of September). In 2008 Silver Bay Seafoods will also operate for herring in March and April. There will be 12 Alaska Marine Line freezer vans per day with SBS product traveling along the entire length of Sawmill Creek Road during the seine season. Baranof Frozen Foods moved 6 million pounds of fish last year and is expanding its production as well. Access to the Pulp Dock Warehouse greatly needs to be improved with an additional approach from Sawmill Creek Road, as has been conveyed previously to DOTPF from Alaska Marine Lines (AML) and Sitka Economic Development Association (SEDA). This additional approach to the Warehouse building should be included in the final scope of this project.

Construction of the new NSRAA Sawmill Creek Fish Hatchery is underway, and is expected to have egg rearing and ponding in place by August, 2007. True Water Bottling Plant is also expanding its facilities. A new trail system from Sawmill Creek Road to Thimbleberry to Hart Lakes and back to Blue Lake and Sawmill Creek Roads has been completed, and commercial tours, both hikers and bikers, are being operated starting this summer which will put considerably greater numbers of bikers and hikers on the unimproved section of Sawmill Creek Road on this circular route. A new trail section from the end of Sawmill Creek Road to Beaver Lake Trail now under construction will bring considerable traffic out to the trailhead and back to town. Several other user groups will also be increasing their use of the Stage 3 section of the road. A small boat harbor in Herring Cove and cruise ship dock are also in the planning stages. It is imperative that the scoping of this project reconsider the need for a separated bike path, which could be developed at much lower cost than previously estimated by DOTPF by moving the centerline of the road closer to the inside bank (requiring some blasting of rock areas), and using the existing shoulder for the pathway rather than a very costly and difficult "cantilevered pathway" as DOTPF proposed. The roadway is already failing and will be unsafe for these multiple uses.

In addition to the above high use and safety and access issues, the Sitka Legislative Priorities discussed in detail two other important Sitka projects waiting for the road project Stage 3 to move forward: the burying of the City's main 69kV transmission line in the roadbed from Blue Lake Hydro Plant to where the line crosses Sawmill Creek Road and becomes a stable route into town, thus avoiding the large costly power outages along the current mountain/lake route; and extending the City's sewer line to Sawmill Cove Industrial Park in conjunction with the third phase of the road project. These projects could have many direct benefits and cost savings to Sitka if they can be executed in a timely manner in conjunction with Stage 3 road construction.

Stage 3 Sawmill Creek Road Project would be the ONLY Sitka road project actually funded by the STIP rather than a pass-through earmark if it were added to the STIP Amendment. It should be included and fully funded in this STIP as has been promised previously by DOTPF staff.

■ Page 173, **Sitka Access EIS**, is also of great concern. Over a million dollars has been spent on this project, and no scoping report has been issued. Other than a very preliminary scoping meeting, neither in the City and Borough of Sitka nor the public nor any other interest group in Sitka, has been any way included in this project. Meanwhile, Sitka's ferry service has been cut dramatically to the worst service ever. We request this project start over, involving Sitka's leadership and community, and lead to a technically defensible, authoritative and complete study of the reasonable alternatives including ferry options and highway construction proposals to better serve Sitka with the Marine

Commissioner von Scheben

April 5, 2007

Page 3

Highway System. Sitka worked hard to help access the funding for this analysis, and Sitka has been harmed by the loss of the LeConte service and most access to the villages of Kake, Angoon, Tenakee and Hoonah.

Sitka has always had the worst service of the entire Alaska Marine Highway System mainline communities, even though, with more than 8,800 residents, it is the Region's third largest community. This is a huge inequity, and DOTPF's unwillingness to complete the Sitka Access analysis to quantify real solutions to improve Sitka's ferry service is making the situation even worse. No further action is budgeted during the entire period of the STIP; just a "conversion" holding action for the listed funds. Real funding and effort needs to go into finding solutions for Sitka service, and this project is not even projected to be completed beyond the Amended STIP period. This is unacceptable.

When the Sitka Legislative Delegation met with you in February, you seemed truly interested in the cost-effective "outside the box" proposal for supplemental village to Sitka and Juneau service. We were very pleased that the Alaska Marine Highway issued a request for proposals and awarded this supplemental service contract to Allen Marine. Unfortunately, the contract has not been funded. This contract would help provide a short-term solution to some of Sitka's lack of service and provide better, cost-effective service to the smallest communities, and as we requested in the Sitka Legislative Priorities, we request it be implemented. We further request that the Sitka Access EIS begin again as a cooperative effort with Sitka to identify realistic, timely short-term and long-term solutions to the inequitable and woefully inadequate and isolated Sitka service with a comprehensive analysis of both ferry and road options.

■ Page 174, **Sitka Road Improvements**, is another earmark acquired by the City and Borough of Sitka through the Alaska Congressional Delegation to implement the Japonski Island Master Plan to upgrade the deteriorated, World War II vintage State-owned roads and utilities on Japonski Island. Upon completion, the City and Borough of Sitka has pledged to take over ownership and maintenance of these facilities to ensure they will be well cared for in the future. Sitka is concerned that the earmark may not be enough to adequately complete the Campus Access Project, Seward Street Sanitary Sewer, and the Work Float Access and Paving projects included in this project. The estimated project total of \$477,818 is very close to the total amount of the earmark, \$1.5M, and may not provide enough funding to complete these projects. If underfunded, the State needs to fund the rest of the project, and should include these amounts in the STIP Amendment, not just reduce the scope of the projects. Per the Sitka Legislative Priorities, the State is the great beneficiary of these long overdue improvements to failing State facilities.

■ A related project that was not included in this STIP amendment is the **Sitka Airport Road Relocation project**. Senator Stedman got funding for this project in the General Fund in FY'05, but due to the years of delays in constructing the project, costs have increased, and DOTPF now says the General Funds available are about \$2 M short. CBS requested this supplemental funding through Senator Stedman but realizes there are many competing requests and the project may not be fully funded this Legislative Session. Therefore, DOTPF should put supplemental funding in the STIP Amendment for this project to be constructed next year.

This project was identified in the Sitka Airport Master Plan in 1991, 16 years ago. It is critically important to the development of Sitka's State-owned airport, without which the Sitka Airport cannot expand, and several projects waiting on this road relocation cannot proceed. This is DOTPF's Airport and DOTPF's road, and DOTPF needs to make the commitment to construct this long overdue project. The project is ready to advertise as soon as this supplemental funding is in place. It is of great importance to Sitka's economy and is desperately needed to enable expansion of Sitka's Airport lease lots. If Senator Stedman is successful getting this supplemental funding in the State's budget this Legislative Session, the STIP could use the funding for another of Sitka's underfunded projects discussed above.

■ Page 175, **Sitka Sawmill Creek Intermodal Facility**, is a Federal Transit Administration (FTA) earmark to the City and Borough of Sitka that needs to be listed in the STIP for pass-through to Sitka.

Commissioner von Scheben

April 5, 2007

Page 4

Sitka is grateful this project is included in the STIP. There was an erroneous article in Sitka's newspaper that these funds had been lost to Sitka because they had not been carried over to FY'07. This is incorrect. Sitka requested the grant be carried over to FFY'07, and the Congressional Delegation included this request in the Senate Appropriations Bill last fall. Unfortunately, this bill was not passed, and the nation is still operating under a continuing resolution. CBS therefore requested again that the grant be carried over to FFY'08, and the Congressional Delegation is working on this effort. FTA has not reappropriated the funds and is still actively working with Sitka to resolve this issue and permit CBS to utilize the funding.


■ Page 176, **Sitka, Alaska — Transit Needs**. This earmark is for the Sitka Ride Bus Service, managed by Center for Community and Sitka Tribe of Alaska. The City and Borough of Sitka strongly supports this funding and appreciates DOTPF including it in the STIP.

■ Another project that was not included in the STIP which Sitka again requests be added is to **provide grind and repave funds for road resurfacing from the Ferry Terminal to the end of Halibut Point Road**. The roadway surface is failing, and each year DOTPF talks about repaving the road as a maintenance project. The end of HPR receives a large amount of use from the many persons using the various recreational facilities at the end of Halibut Point Road: the Old Sitka Boat Launch, Old Sitka State Park, Forest and Muskeg Trail, Mosquito Cove Trail, Estuary Trail and bird viewing platform, Forest Service campground and picnic facilities, Sitka Shooting Range, State Trooper Shooting Range, and DOTPF's pedestrian walkway. There is also considerable pedestrian traffic in this area from people using the Alaska Marine Highway ferries. DOTPF needs to resurface and upgrade this last section of State road before the road fails.

Sitka is well aware of the limited funding and enormous competition for project funding in the STIP. However, a big issue for the City and Borough of Sitka is equity.....both in Marine Highway service and in STIP funding. While CBS appreciates past State projects, in the upcoming STIP, through FFY'09, Sitka does not have a single road/utility project being even partially funded by the State. DOTPF's cooperation with projects for which CBS received earmarks is appreciated, but the State has an obligation to cooperatively fund projects especially pertaining to State lands and facilities. Your assistance to help get the above projects through construction by responding favorably to the above requests will be greatly appreciated.

Thank you for the opportunity to comment. CBS would be happy to provide more information if requested. Please contact Marlene Campbell, Government Relations Director, at 907-747-1855 (phone) or campbell@cityofsitka.com (E-mail), or me for assistance.

Sincerely,



John C. Stein

Municipal Administrator

cc: Jeff Ottesen, Director, Division of Statewide Planning, DOTPF (FAX 907-465-6984)
Andy Hughes, Chief of Planning, Southeast Region, DOTPF (FAX 907-465-2016)
Senator Bert Stedman
Representative Peggy Wilson
Sitka Assembly